

MESSAGE CONFIRMATION

DATE:09/24/93 TIME:15:32

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E.M. McATEE
Area Vice President - Sales

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Berwyn, PA
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FAX 1 of 2

September 22, 1993

TO: Regional Sales Managers

RE: REDUCING FIELD SALES OPERATING FUND AS A RESULT
OF THE PRICE ROLLBACK

Gentlemen:

Sales Financial Services has advised us that they have not seen a reduction in Field Sales Operating Funds from NASA personnel as a result of the recent price rollback strategy.

Please refer to the attached sheet that was taken from the "RJR Price Rollback" manual and comply as appropriate.

Feel free to call NASA should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "EM".

E. M. McAtee
/dmm
attachment
cc: R. F. Fullton

KEVIN } PLEASE
Q REVIEW

ROGER.

51863 0200

CAR STOCK RECONCILIATION

Every effort should be made between now and July 30 to minimize car stock inventory on Sales Representative's vehicles. Management must make arrangements with all pick-up jobbers to accept Sales Representative's car stock product for credit between August 2-4. Credits will need to be issued at the dollar value of the inventory returned. Between August 2-4, all employees must turn in their car stock to their pick-up jobbers for credit. In the event a Sales Representative is unable to return their product (i.e., vacation, sickness), arrangements must be made within the division to have the product returned. **No reimbursements will be made to Sales Representatives who fail to return their car stock product by August 4 to pick-up jobbers.**

Place damaged and unsaleable product in returned goods inventory for return to Winston-Salem by August 4. Saleable product must be returned to the jobbers inventory or secured in a separate area for the Representative to pick up again after the wholesalers physical inventory has been taken.

IMPORTANT: If the Sales Representative's product is secured in a separate location, ensure the product is counted during the physical inventory process at the account on August 5 or 6.

After the physical inventory has been taken and new prices have been established, the Representatives can repurchase product from the account at the new lower prices using their credit against their purchases. During third quarter, division/district management will need to conduct solvency checks on all employees and reduce Field Sales operating funds, if applicable, based on the new lower pricing structure.

RETAIL COVERAGE/PROCEDURES**I. August 2 - 20**

Concentrating on K, A and B accounts, focus on achieving the following objectives.

1. Sell/explain our flow-through retail rollback strategy. (A letter has been sent the week of July 26 to all retailers explaining our strategy - copy attached).
 - Maintain current price levels until average on-hand higher priced inventory is sold.
 - Begin replenishing inventory with new lower priced inventory August 9, 1993.
 - Encourage retailers to reduce prices of all brands simultaneously to reduce store and consumer confusion.

Explain to retailer that they can use signage they receive in rollback POS kit, which will be mailed to each store, to advertise new lower price when they decide to roll back the price in their store.